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CENTRAL INTELLIGENCE AGENCY

Memorandum



THE SITUATION IN VIETNAM

Information as of 1600 4 July 1966

State Dept. review completed

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4 July 1966

HIGHLIGHTS

A Buddhist Institute communiqué of 3 July indicates a suspension of opposition to the Ky government. The latter, meanwhile, is still preparing a cabinet reshuffle, after last-minute delays prompted by concern over moderate Buddhist reaction. In North Vietnam, French and Chinese press sources report that the Hanoi regime has ordered the evacuation of all nonessential personnel from the DRV capital.

- I. The Military Situation in South Vietnam: Several significant contacts with Viet Cong/NVA forces were reported over the weekend, including two attacks on Special Forces camps near the Cambodian border (Paras. 1-6). Several major US operations were terminated and others were initiated over the weekend (Paras. 7-9).
- Political Developments in South Vietnam: A Buddhist Institute communique of 3 July marks a suspension of opposition to the Ky government, apparently to permit moderate Tam Chau to try to work out a final accommodation (Paras. 1-2). Premier Ky reportedly ordered the release today of almost 200 supporters of the recent Buddhist struggle, but the government still contemplates punishment for general officers involved in the I Corps dissidence (Para. 3). The government expects to announce composition of a military-civilian advisory council on 5 July, but announcement of cabinet changes may be further delayed as a result of internal objections and maneuvering (Paras. 5-6). Political activity on the September election is increasing as the deadline for filing candidacies for the constituent assembly nears (Para. 6).

III. Military Developments in North Vietnam:

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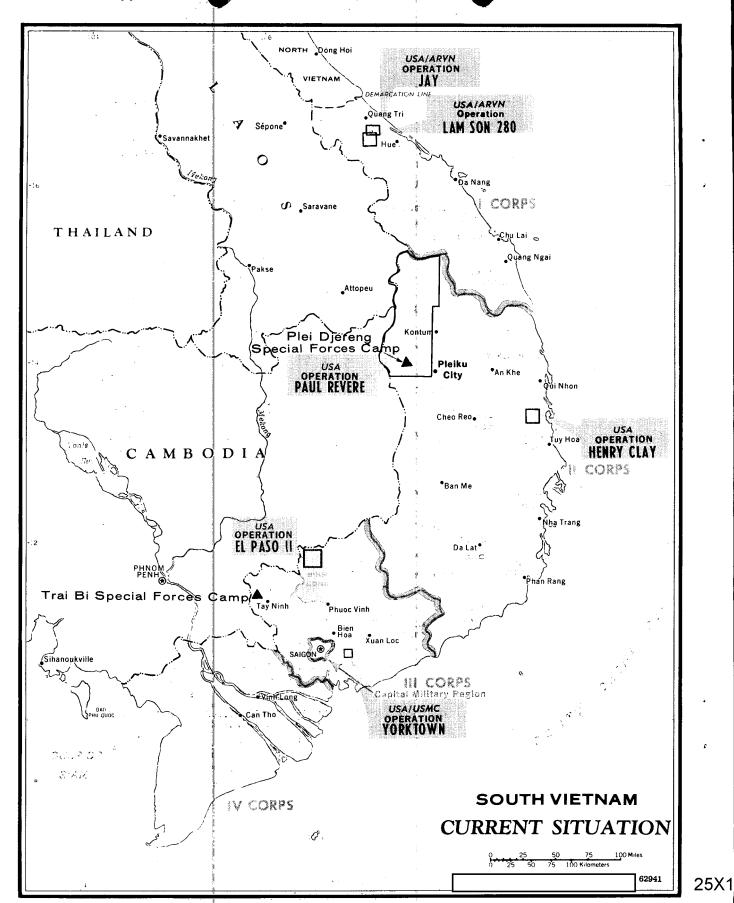
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Air strike on Do Son POL facility reported (Para. 7). Pilots report destroying a SAM site north of Hanoi on 3 July (Para. 8).

IV. Other Communist Military Developments: There is nothing of significance to report.

V. Communist Political Developments: Former French diplomat Jean Sainteny arrives in Hanoi. He hopes to talk with DRV leaders and will probably discuss the issue of negotiations (Paras. 1-2). Chinese Communist Government statement on aid to Vietnam evaluated (Para. 3). North Korean pledge to send "volunteers" to Vietnam discussed (Para. 4). Hanoi propaganda terms reports of a US-DRV naval engagement "fallacious" and claims US attacked DRV fishing boats in North Vietnamese waters (Para. 5). French and Chinese reports of the evacuation of Hanoi indicate a stepped-up effort by the Hanoi regime to rid the city of nonessential elements (Paras. 6-9).



I. THE MILITARY SITUATION IN SOUTH VIETNAM

- 1. US forces participated in nine of the 30 ground operations of battalion size or larger which were in progress over the weekend. Significant contact with enemy forces was established on several occasions in widely scattered parts of the country.
- 2. On 2 July, elements of the US 1st Infantry Division in Operation EL PASO established heavy contact with at least two enemy battalions about three miles from the Cambodian border in Binh Long Province. Three US battalions were committed to the engagement. US casualties were 17 killed and 40 wounded as against Viet Cong casualties of 78 killed and two captured. Cumulative results of this search and destroy operation which began on 2 June now stand at 100 Americans killed and 305 wounded. South Vietnamese casualties are 22 killed and 71 wounded. Communist casualties to date total 615 killed, 29 captured, and 62 VC suspects taken. In addition, 125 individual weapons and 30 crewserved weapons have been captured and 1,601 tons of rice have been confiscated.
- 3. Shortly after dark on 2 July, an enemy force of unknown size attacked the Plei Djereng Special Forces Camp with mortar and small arms fire. The attackers were driven off by artillery and tactical air support fire with unreported results. Three friendly casualties were reported at the camp which is located about 27 miles northwest of Pleiku city. Attacks against this camp and other targets in Pleiku Province have been expected for some weeks now.
- 4. Elsewhere in South Vietnam, elements of the US 173rd Airborne Brigade in Operation YORKTOWN reported contacting two enemy companies about 30 miles east of Saigon. Results of this engagement included four Americans killed and eight wounded as against 15 VC killed.

- 5. On 3 July, a company of the 25th Infantry Division participating in Operation PAUL REVERE engaged an enemy unit, estimated to be a company, for seven hours near the Cambodian border some 35 miles northwest of Pleiku. Preliminary reports indicate US casualties in this engagement were 17 killed and 32 wounded. Enemy losses were 23 killed (body count). Cumulative results of Operation PAUL REVERE, a Cambodian border surveillance operation begun on 9 May, now stand at 45 Americans killed and 268 wounded. ARVN forces have sustained 16 killed and 41 wounded while total Viet Cong losses number 518 killed (body count) and 71 captured. In addition, 191 individual and 12 crew-served VC weapons have been captured.
- 6. On 3 July, an estimated VC company attacked the Trai Bi Special Forces Camp, located about ten miles north of Tay Ninh city and some eight miles from the Cambodian border, with mortars, automatic weapons, and small arms fire. The camp defenders beat off the attack with artillery barrages and the VC broke contact after about an hour of fighting. No casualties were reported.

Initiation and Termination of Significant US Operations

Two major ground operations ended on 1 July. In NATHAN HALE, a search and destroy operation begun on 18 June in Phu Yen Province, cumulative casualties included 62 Americans killed, 333 wounded, and four missing. Enemy casualties were 459 killed, 36 captured, and 94 suspects detained. Enemy equipment captured included 131 individual and 19 crew-served weapons, and 177 tons of rice. Six battalions of the 1st Air Cavalry Division and a battalion of the 101st Airborne Division, which were committed to NATHAN HALE, initiated US Operation HENRY CLAY on 1 July. This operation, which should last about five days, is to employ reconnaissance-inforce techniques in western Phu Yen and eastern Phu Bon provinces. Only light contact has been reported thus Two North Vietnamese regiments -- the 18B and 95th -plus two VC battalions are estimated to be in the area of operations.

- 8. Operation OAKLAND also ended on 1 July without significant contact. Final casualties are: two ARVN killed, six USMC, and ten ARVN wounded; 15 enemy killed, four captured, and 13 suspects detained.
- 9. Operation JAY, which began on 24 June, ended 2 July. Cumulative casualties were: 23 US killed, 58 wounded, 92 enemy killed, six captured, and 18 suspects detained. A combined ARVN-USMC search and destroy operation, nicknamed HOLT-LAM SON began in the same general area of Thua Thien Province near Hue on 1 July and has thus far reported no contact. Operation HOLT was initiated on the basis of intelligence gained from enemy prisoners captured following the unsuccessful ambush of an ARVN battalion on 29 June. The prisoners indicated that the base of the 802nd VC Battalion, the ambushing unit, was located in the area. The operation is estimated to last four to five days.

II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

- 1. The Buddhist Institute, through a communiqué issued on 3 July by chairman Tam Chau, has indicated that it is suspending opposition to the Ky government pending further determination of its policy by an extraordinary assembly of the Unified Buddhist Association (UBA). After reviewing Buddhist attitudes over the past ten weeks, the communiqué called for "a minimum period during which both sides can demonstrate their good will," and urged "calm and patience" on the part of the faithful. No specific demands were made of the government, and there was no suggestion of earlier calls for the resignations of Ky and Chief of State Thieu.
- The communiqué apparently followed meetings on 2 and 3 July of the Institute's executive council, including consultation with Tri Quang in his Saigon clinic. Comments of Buddhist sources suggest that the communiqué is intended Chau's authority to work out a to confirm' final accommodation with the government, and that the special UBA conference, to take place in two or three weeks, is partly a device by Chau to bring additional pressure on Buddhist militants by dangling a renewed prospect of his own resignation. There have been hints in the Buddhist press of a campaign to enable Tri Quang to end his hunger strike, although a prominent Buddhist source quotes Quang as saying that he cannot yet end his fast with many of his followers killed or still in prison.
- 3. Presumably as a demonstration of "good will," Premier Ky on 4 July reportedly authorized the release of 183 persons detained during the recent Buddhist "struggle." A high ranking Vietnamese officer reports that no final decision was taken at a 30 June meeting concerning the futures of five generals, including Thi, involved

in the I Corps dissidence. Their cases will be individually reviewed by minister of security General Vien, but all five reportedly will face some disciplinary action including possible court martial.

- 4. Government sources, meanwhile, report that the new military-civilian advisory council will be established and convened on 5 July, after repeated postponements because of haggling over its membership by civilian members of the ruling Directorate. The council is to have 60 civilian and 20 military members.
- 5. It is possible that a pending cabinet reshuffle may also be announced on the 5th, although deputy premier General Co told the press today that the cabinet changes would be made public on 7 July. There are indications that the delay in the reshuffle was the result of concern in the Directorate that some of the proposed changes, which would strengthen Catholic influence and remove a prominent Buddhist minister, could jeopardize an accommodation with Buddhist moderates.

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this concern is partly legitimate, although its principal exponent, General Co, is motivated primarily by the desire to gain political support for his own ambitions.

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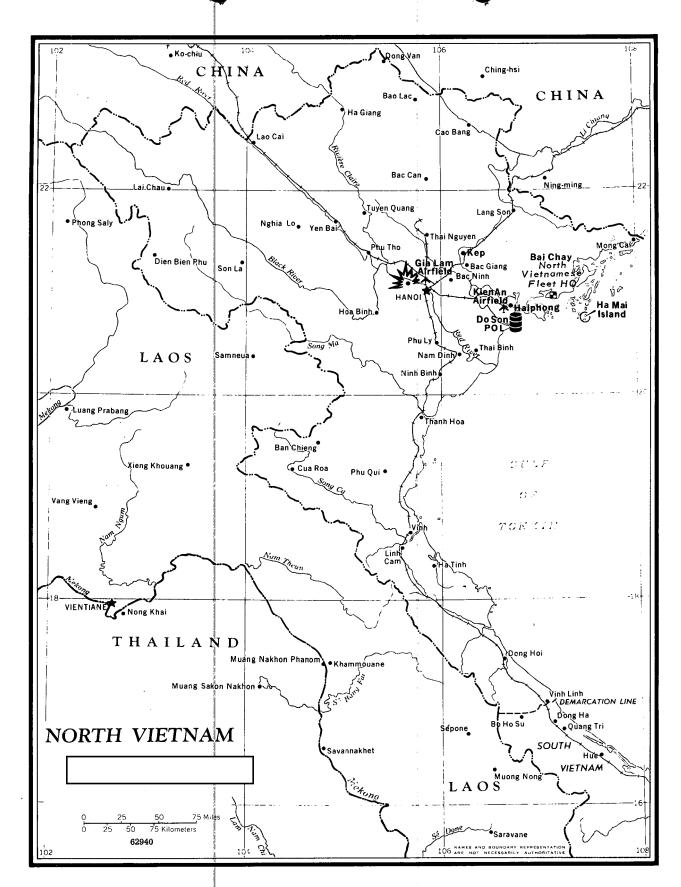
6. The US Embassy reports that there is now considerable political activity directed toward the September election, as the deadline of 11 July for filing candidacies approaches. Despite a strong undercurrent of uncertainty over the elections and of suspicion over the government's manner of organizing them, it appears that a number of prominent politicians, as well as political and religious groups, are planning to stand as candidacies or are preparing slates for list voting the Saigon area and the provinces.

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excellent hits on two of the POL tanks, although there were no explosions or other positive indications that POL was present at the target. Bomb damage photography has not yet been received.

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SAM Strike

8. Pilots from a flight of Air Force F-105
Thunderchiefs reported they completely destroyed a
surface-to-air missile site north of Hanoi on 3 July
after three missiles had been unsuccessfully fired
at them. There are currently 113 SAM sites identified in North Vietnam. Of these, six have been
abandoned. Despite this large number of sites, many
of which are no more than clearings from which to
fire SAMs, it is still estimated that there is only
enough surface-to-air missile equipment in the DRV to
man from 20 to 25 sites at one time. In the last few
months SAM firings at US aircraft have been almost
totally ineffective.

IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

V. COMMUNIST POLITICAL DEVELOPMENTS

Former French Diplomat Arrives in Hanoi

- 1. Jean Sainteny, ex-cabinet minister and former French high commissioner in Hanoi arrived in the North Vietnamese capital on 2 July at the invitation of the North Vietnamese Government. Prior to his arrival in Hanoi, Sainteny made stops in China, Cambodia, and Laos. While in Vientiane he discussed his mission in an impromptu meeting of diplomatic personnel. He explained that while he was carrying no special message from De Gaulle to Ho Chi Minh, he was making the trip with the French President's blessing. Sainteny expressed the hope that he would be able to meet and establish a "candid dialogue" with Ho and Premier Pham Van Dong whom he characterized as "old acquaintances." The French representative was, however, not optimistic about establishing any meaningful discussion with the North Vietnamese leaders claiming that the recent POL strikes by the US had complicated his task.
- 2. Sainteny's visit in Hanoi is scheduled to last one week during which time he will probably discuss a wide range of topics with the North Vietnamese leaders including the subject of negotiations. The Hanoi leadership apparently views Sainteny's visit as an opportunity for them to restate for somewhat sympathetic ears their standard position on settling the war as well as a chance to display the effects of the American air raids.

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Chinese Government Statement on Aid to Vietnam

3. All Peking papers on 4 July highlighted the Chinese Government statement of the preceding day which appear designed to create the impression that China is reacting forcefully to the US air strikes

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against petroleum installations near Hanoi and Haiphong. However, while asserting that China is now "freed from any bounds or restrictions in rendering support and aid to Vietnam," the statement follows the line taken by Peking since last fall in omitting any mention of Chinese "volunteers." Moreover, it refers to previous Peking pronouncements on Vietnam which implied that China would not take the lead in initiating a war with the US, suggesting that Peking does not view the latest developments as requiring a revision of its present policy toward the war.

North Korean Statement on Volunteers

4. On 1 July, Pyongyang radio broadcast a North Korean Foreign Ministry statement denouncing the recent strikes on POL facilities in North Vietnam. statement also contained a pledge to dispatch "volunteers" to North Vietnam but omitted the usual qualifier of doing so only when asked by Hanoi. In the past, Pyongyang has generally taken a more threatening stance on the volunteer issue than other members of the bloc. In a speech last September DPRK Vice-Premier Kim Kwang-hyop asserted that North Korea would "render all necessary support, material, and morale, including the dispatch of volunteers to the "fighting Vietnamese people." None of the North Korean threats to send volunteers have been borne out and it is unlikely that in this latest instance Pyongyang will unilaterally send troops to Vietnam. In addition, there is no evidence that Hanoi has requested the dispatch of any foreign volunteers to Vietnam.

Hanoi Propaganda on Naval Engagement

5. North Vietnam's response to the sinking of three of its motor torpedo boats by US naval aircraft on 1 July has been a claim that reports of the engagement are "fallacious" and that American aircraft and warships actually strafed DRV fishing boats working in DRV territorial waters off Haiphong on that date. In a 2 July broadcast Hanoi radio claimed that the "valiant" North Vietnamese Navy had successfully driven off the marauders and had damaged one ship

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and hit a plane. The broadcast further asserted that this "provocative act" was a pretext for further escalation of the air war and an attempt to "white-wash marauding activities in the Gulf of North Vietnam." In a protest note to the ICC, the regime tied this "blatant act of corsair" to the recent strikes on the Hanoi-Haiphong POL facilities and declared it as a further step-up in the war of destruction against the DRV.

Evacuation of Hanoi Reported

- 6. According to French and Chinese press sources reporting from Hanoi, the North Vietnamese have ordered an immediate evacuation of nonessential personnel from the DRV capital city. While no official North Vietnamese statement on the evacuation has as yet been received, it appears that the regime may be using the recent strikes on targets in the Hanoi-Haiphong region as an excuse for pushing its program of population dispersal from the capital begun last year after the initiation of the US air raids.
- 7. At that time, reports indicated that the regime was attempting to move women, children, the elderly and nonessential males into the countryside. In addition, the movement of diplomatic personnel was restricted and the number of dependents in the diplomatic community curbed. Reports have varied as to the effectiveness of

this campaign.

ported seeing numbers of children, women, and old people on the streets once again.

8. The regime's efforts to disperse the elements of the population probably reflect a genuine concern for their safety. At the same time, by ridding the

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city of nonessential individuals, the government cuts down on the extent of its civil defense preparations as well as the possibility of general confusion and panic should the city, in fact, be bombed.

9. Current estimates of the population of Hanoi--including its suburbs--range from 750,000 to 1,000,000 inhabitants. There is presently no hard information on the percentage of the city's population effected by the previous evacuation or the one currently under way.